Public Service Pension Plan Board

1989

ANNUAL

REPORT

Alberta

GOVERNMENT PENSION BOARDS

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Alberta
GOVERNMENT PENSION BOARDS

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February 1991

The Honourable Dick Johnston
Provincial Treasurer

Sir:

I have the honour to submit to you the annual report of the Public Service Pension Plan Board for the period January 1, 1989 to December 31, 1989. The report outlines the roles and responsibilities of the Public Service Pension Plan Board under the legislation governing the plan.

Board activities, during the period under review, with respect to its appellate and advisory roles are described in the report.

Yours truly,

J. E. Faries, FCIS, PAdm.
Chairman

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INTRODUCTION

The calendar year 1989 is the fourth year of operation of the Public Service Pension Plan Board in its current role. The Board was established effective November 1, 1985 under the Public Service Pension Plan Act which currently covers 50,795 active participants and 10,646 pensions in payment. The main responsibilities of the Board are to hear appeals of administrative decisions on pensions made by Payroll and Pensions Division on behalf of the Minister, and to advise the Minister responsible on matters relating to the Plan.

The Honourable Dick Johnston, Provincial Treasurer, is the Minister responsible for public service pensions. The Plan is administered by Alberta Treasury, Payroll and Pensions Division.

The Board is made up of five members who are appointed by the Lieutenant Governor in Council, representing employees, employers and the Government.

A description of the Board's appellate role is provided and a sample of appeals considered is included.

CHAIRMAN'S REPORT

The Public Service Pension Plan Board is an independent Board, established, by the Public Service Pension Plan Act Chapter P-35.1 (1984), to conduct hearings of appeals by parties who are aggrieved by a decision of the Minister in relation to pension matters under the plan. Applications for extensions of time limits under the plan and under reciprocal transfer agreements are also heard by the Board under the authority of the Act and the relevant Reciprocal Transfer Agreements. It is important to note that the current Board has no administrative responsibility for the plan. The former Board was responsible for administration, and this change often gives rise to confusion relative to the role of the current Board. The Legislature considered it important to establish an independent Board to ensure a completely unbiased and just application of the plan.

The Public Service Pension Board held 9 meetings during the year. The meetings were conducted to deal with 24 hearings, 5 policy matters and 14 informational items.

The Board strives to provide an atmosphere that allows individual appellants and applicants to present their cases without formality. Many of the appellants appeared to present their own cases, and an increasing number have chosen to be represented by a third party. Reasonable expenses incurred by a plan member to appear before the Board are paid on its behalf out of funds set aside by the Board for this purpose. Solicitor costs are not allowed and in a case of two or more appearing at a hearing, expenses of only one individual are paid. During the year 19 appellants/applicants chose to appear or be represented. Hearings are scheduled to allow a minimum of 45 minutes for routine cases. Where the matter appears to be more complicated, or where there are presentations made by individuals or representatives, a longer period of time is normally set aside to ensure that all the facts dealing with the issue are available to the Board before a decision is made. The Minister is represented at most hearings by a representative from Alberta Treasury, Payroll and Pensions Division.

The Board has authority to establish its own rules respecting the calling of and the conduct of business at its meetings. In doing so the principles found in the doctrines of Natural Justice and the Duty to Be Fair are applied. Rules of conduct are kept to a minimum. A quorum for hearings has been established to ensure that a member representing an employee group is in attendance. The quorum requirements to consider an appeal or application has been established as "two members, one of whom represents an employee group, plus the Chairman or Vice-Chairman,". In dealing with meetings to consider policy items, the quorum has been established as a "simple majority of the members" present.

The Act provides for notification of "interested parties" in scheduling hearings. The Board has delegated the responsibility of identifying and advising such parties to the Chairman. Where a party requests standing before the Board at a hearing, the Chairman can approve its attendance, but only the Board has authority to refuse a party permission to appear at a hearing. Since employers usually have an interest in hearings involving their employees, the Board has developed a procedure to provide notice to such employers. The notification of an employer is provided as follows:

(1) In every case the relevant employer is notified of the name of the appellant or applicant and of the decision being appealed.

(2) The Notice of Appeal (which includes the grounds of the appeal) is usually forwarded to the employer also.

(3) The employer may be specifically requested to provide certain information. The written evidence provided by the employer is made available to Payroll and Pensions and the member prior to the hearing.

(4) At the Chairman's discretion, an interested employer may be permitted to appear, if the Chairman is satisfied with the capacity in which he is appearing.

(5) A copy of the decision, with reasons, is forwarded to an employer who has made a written or personal submission, or has shown cause to be so informed.

THE BOARD

Representation on the Board from all interested parties is guaranteed by its make-up. The employees and retired employees are represented by two members appointed by the Alberta Union of Provincial Employees (AUPE). Alternating terms guarantee a consistent and informed voice on behalf of those affected.

The employer's interest is satisfied by the appointment of a member from Personnel Administrative Office (PAO.) PAO represents all employers who participate in the plan.

The Government, as representative of the public, has a member, who is responsible directly to the Minister. By assigning a person not employed by the Government in this capacity there is wider representation.

The Chairman is appointed by the Lieutenant-Governor-in-Council and is responsible for the leadership at Board hearings and meetings.

J. E. Faries - Chairman

Mr. Jerry Faries was appointed Chairman effective November 1, 1985. He has considerable background in pension policy and administration, having served over fifteen years as Director of the Pension Administration until December 31, 1979. He was a founding Director of the Association of Canadian Pension Management and was involved as Chairman of the Advisory Board of the Employee Benefit Certificate Program of the University of Alberta. He also holds several senior positions on other boards and community organizations. His term of office expires on April 1, 1992.

A. F. (Chip) Collins - Vice-Chairman

"Chip" Collins served as Deputy Provincial Treasurer from 1972 until his retirement in 1984. Mr. Collins was appointed a Board Member and Vice-Chairman of the Board effective November 1, 1985. He brings to the Board extensive financial and administrative expertise as well as senior public service experience. Mr. Collins is a government representative. His term of office expires on April 1, 1991.

G. Heise

Mr. Gilbert Heise, representing the employer, was appointed to the Board November 1, 1985. He has extensive experience in the employee benefit field. He is currently the Manager of Benefits and Salary Administration, Personnel Administration Office. His term of office expires on April 1, 1992.

M. J. Poulter

Mr. Michael Poulter represents the employees. He attended the University of Alberta and has taught in both England and Alberta. He is a senior instructor at the Vocational College at Grouard and until recently program head, Local Government Administration. His involvement with the Alberta Union of Provincial Employees dates from 1972, and he has served for three terms as Vice President. His term of office expires on April 1, 1991.

D. J. Horbach

Mrs. Deborah Horbach received her education in Saskatchewan and attended various short courses through the Alberta Union of Provincial Employees. She has held various positions with the Treasury Branches in Lloydminster. She was a member and Vice-Chairman of the Benefits Board of Trustees for six and two years respectively. She was also a member of the Pension Board Advisory Council. Her term of office expires on April 1, 1992.

In support of the Board a small but efficient staff provides professional and technical service. The staff has been stable during the year. This stability has been of benefit as consistent service and advice is provided to the Board.

SUMMARY OF APPEALS

The most visible responsibility of the Board is the conducting of hearings. Independence of the Board must be clear to those who wish to have their cases heard by the Board. The location of the hearing venue is at arm's length from Alberta Treasury. The Chairman reports directly to the Minister responsible for Public Service Pensions.

The hearings are of two types. The hearing of appeals against decisions made by the Minister and applications for extensions of time limits.

Section 35 of the Act provides, where a person is aggrieved by a decision of the Minister, he may appeal to the Board within 30 days of being informed of the decision. The Board can confirm, vary, or vacate the decision based on its assessment of the facts of the case.

Application for an extension of a time limit is the other type of hearing. These applications are under two specific areas of authority. Section 10 of the Act allows an application to the Board for an extension of any time limit under the plan. The Board considers the facts presented by both the Minister and the applicant. The decision is made based on the Board's interpretation of the facts and the governing legislation, relative to its determining of material fault on the part of the applicant in missing the deadline. The second type of application is under a clause in the reciprocal agreements between the public service pension plan and other jurisdictions. The Board may extend the time limits if in its view the circumstances warrant such an extension.

After each hearing a written decision, and reasons, is made available to the appellant or applicant within 10 - 14 days.

The hearings are informal and the principles of "natural justice" and the "duty to be fair" guide in the decisions of the Board within its authority.

The Act provides that where a party is aggrieved by the Board's decision, an appeal may be filed with the Court of Queen's Bench.

During 1989 no appeals were registered with the Court of Queen's Bench under the Public Service Pension Plan Act.

One case, which the Minister previously appealed to the Court of Queen's Bench, was decided during the year. In Provincial Treasurer vs Majthenyi, Q.B.B., Justice Marshall held that the Board had acted properly in finding for Majthenyi. The matter was

appealed by the Minister to the Court of Appeal. The Court of Appeal of Alberta, in a decision rendered on March 1, 1989, granted the appeal and directed that the matter be remitted back to the Public Service Pension Plan Board. As at year end an appeal to the Board had not been filed.

During 1989 the PSPP Board met 9 times to decide 24 appeals or applications. During 1988, the Board met 10 times and decided on 20 appeals/applications.

The PSPP Board granted or varied 63% of the appeals/applications in 1989, and 65% of the appeals/applications in 1988.

In 1989, 79% of the appellants or applicants or their representatives attended their hearings before the Board. This compares to 65% in 1988.

Summary of Appeals and Applications for 1989, by categories, with comparative figures for 1988 - PSPP

	1989			1988		
Category	#	% of Total	% Granted or Varied	#	% of Total	% Granted or Varied
Reciprocal Transfer	10	42%	60%	4	20%	100%
Time Limit Extensions (Section 10)	7	29%	100%	3	15%	67%
Appeals (Section 35)	7	29%	29%	13	65%	54%
TOTAL	24	100%	63%	20	100%	65%

Summary of the number of cases where an appeal/application was filed but the case did not require a hearing by the Board; appeal provision was relied upon to facilitate a resolution, i.e. granted by Payroll and Pensions Division or withdrawn.

1989 - 2
1988 - 5
1987 - 3

Summary of Appeals and Applications (1989) All Boards

During 1989, 76 appeals/applications were heard by the five Pension Boards. This compares to 58 heard during the calendar year 1988.

A. Summary by type of appeal/application. Also shown is the percentage in each type. Comparative figures for 1988 are included.

	1989		1988	
Type of Hearing	Number	% of Total	Number	% of Total
Appeals (Section 35)*	36	47	36	62
Applications Section 10	16	21	3	5
Applications (Reciprocal Agreements)	24	32	19	33
TOTAL	76	100	58	100

* Section 34 for UAPP

B. Number of Appeals/Applications filed but not heard.

Summary of number of cases granted by Payroll and Pensions and/or withdrawn by appellants prior to being heard by the Board is as follows:

Board	1989	1988	1987
PSPP	2	5	3
LAPP	3	10	10
PSMPP	1	1	1
UAPP	1	2	0
SFPP	1	1	1
TOTAL	8	19	15

C. Attendance at Hearings (by appellant and/or representative):

BOARD	1989	1988	1987
PSPP	79%	65%	75%
LAPP	54%	70%	64%
PSMPP	75%	100%	90%
UAPP	60%	80%	83%
SFPP	100%	100%	100%

D. Number of Appeals and Applications heard by the Boards

	Applications		Appeals	Total
	Reciprocal Transfer	Section 10	Section 35*	
LAPP	13	4	18	35
PSPP	10	7	7	24
PSMPP	0	0	4	4
UAPP	1	5	4	10
SFPP	-	-	3	3
TOTAL	24	16	36	76

* Section 34 for UAPP

E. Percentage of Appeals and Applications Granted or Varied

	Applications		Appeals	Total
	Reciprocal Transfer	Section 10	Section 35*	
LAPP	77%	100%	67%	74%
PSPP	60%	100%	29%	63%
PSMPP	-	-	50%	50%
UAPP	100%	80%	100%	90%
SFPP	-	-	33%	33%
Combined	71%	94%	58%	70%

* Section 34 for UAPP

F. Applications for Reciprocal Transfers (Time Limit Extensions)

	Exporting Plans							
Importing Plans	LAPP	PSPP	PSMPP	UAPP	SFPP	TRF	OTHER	TOTAL
LAPP	xx	8	1	-	-	2	2	13
PSPP	6	xx	-	-	-	3	1	10
PSMPP	-	-	xx	-	-	-	-	-
UAPP	1	-	-	xx	-	-	-	1
SFPP	-	-	-	-	xx	-	-	-
TOTAL	7	8	1	-	-	5	3	24

Appeal 1

Reciprocal Transfer

The applicant terminated employment under the Local Authorities Pension Plan (LAPP) in December 1981 and left contributions on deposit for later disposition. The applicant then commenced employment with an employer participating under the Public Service Pension Plan (PSPP) in June 1987. The applicant's request for transfer from the LAPP to the PSPP under the reciprocal agreement was denied by Payroll and Pensions (P & P) on the basis that she had exceeded the three-month time limit between leaving the exporting plan and commencement under the importing plan.

The applicant's arguments for the extension were as follows:

> The time frame discriminated against women who believed that their role in the pre-school years was tending their child. Applicant's professional and work activities were conducted out of her home between 1982 to 1987 while taking care of her child. During this period, she worked as a tutor, wrote course materials and a textbook, served as a consultant, conducted workshops and completed a doctoral degree.
>
> The time limit did not accommodate or recognize the need for educational and professional enrichment activities that were incompatible with full time employment in an institution.

P & P argued that the purpose of the reciprocal agreement was to facilitate a transfer of employment from one reciprocal employer to another under certain circumstance. The situation would typically be that the individual had prearranged employment with the new employer prior to resigning his former position and that the three months were provided to allow for moving or vacation time. The reciprocal agreement was not intended as a portability agreement.

The Board denied the application on the basis that there were no extenuating circumstances to warrant the extension.

Appeal 2

Reciprocal Transfer

The applicant terminated employment with an employer under the Teachers' Retirement Fund (TRF) in December 1985. In January 1986 applicant commenced employment with an employer under the Public Service Pension Plan (PSPP) in a non-contributory wage position. Applicant became a participant under the PSPP in April

1987 when she started with the same employer in a salary position. She requested a transfer from TRF to PSPP in October 1987 and also to purchase two periods of wage service. Her request for transfer was denied.

Because of employer's funding and hiring policies, applicant was hired in a wage position when she commenced employment with her current employer a couple of weeks after leaving TRF. Upon employment, she enquired about the transfer and was advised that it could not be done because she was not a PSPP participant. She was also advised of the three-month time limit at that time. She then telephoned P & P who advised her to wait until she had become a plan participant to reapply and there should not be a problem. On joining the PSPP she reapplied for the transfer and her request was denied by P & P. She was purchasing the non-contributory service. She felt that she had done everything possible to facilitate the transfer and the fact that she did not contribute to the PSPP until the time limit had expired was due to circumstances beyond her control.

P & P denied the application because applicant did not become a participant of the importing plan within three months of leaving the exporting plan. P & P had no discretion but to administer the time limit strictly.

The Board granted the application and extended the time limit to allow the transfer. Reasons were: (a) the applicant became employed with her current employer within three months of leaving TRF; (b) she was purchasing the period of service between leaving TRF and joining the PSPP; and (c) the applicant was estopped from contributing to the PSPP because of employer's policy and treatment of wage employees.

Appeal 3

Disability Pension - Upgrade from Partial to Total

The appellant resigned from a position under the PSPP in August 1987 and applied for a disability pension. He was granted a partial disability pension effective August 1987. Appellant submitted medical reports from various doctors. However, heart specialist's report was not available.

Because of the problems with his heart, back and right knee, appellant requested that he be granted a total disability pension in accordance with his doctors' advice. He also argued that he was unable to perform any gainful employment.

The Minister maintained that the medical information provided by the appellant's physicians indicated that he was partially disabled. Since the appellant could not do his own job, a partial disability was in order. The Minister's medical consultant also found no grounds to upgrade the pension.

The Board requested the appellant to provide a medical statement from the cardiologist dealing with his heart condition. On receiving updated information, the Board denied the appeal. The Board ruled there was insufficient medical information on the appellant's heart condition which was attributed as a large part of his disability. Secondly, no evidence, medical or otherwise was submitted to support the view that the appellant was totally incapable of any type of gainful employment.

Appeal 4

Disability Pension

The appellant terminated employment with an employer under the PSPP in September 1987 and left contributions on deposit for later disposition. In January 1988 the appellant applied for a disability pension; medical evidence submitted by the appellant's physicians supported a total disability. He informed Payroll and Pensions (P & P) that he was in receipt of a total disability pension from Canada Pension Plan (CPP). He also provided P & P with a copy of his position description. The Minister's medical consultant indicated that the evidence presented did not support any disability. The appellant was requested by P & P to undergo an independent medical assessment. A physician at the Pain Control Clinic was asked to review the case and complete a medical statement; however, this statement did not comment on the existence or degree of disability. In June 1989 the Minister denied the appellant's application for a disability pension.

On joining the employer, the appellant was required to take a medical examination and his condition of arthritic problem with the spine was noted by the employer's physician. He explained that his job required extensive travelling from facility to facility, attending meetings and conducting investigations. In 1986 he found it more and more difficult to cope with his job because of increasing discomfort. He experienced memory loss and continuous overall body pain, affecting his ability to concentrate, walk, sit and sleep. He also suffered from rashes and hives and general skin sensitivity. At his doctor's advice, he took November and December 1986 off. On returning to work in January 1987 he experienced the same problems as before, with an increasing degree of mental deficiency. He and his supervisor discussed the employer's long term disability program. To the appellant's surprise, he was laid off in mid-February 1987. The appellant attended the Pain Control Clinic in Calgary in January 1987. He described the kind of medication and pain killer he was taking. He had been hospitalized for several days during one of the withdrawal periods. He was referred to a psychiatrist who assessed the pain to be real.

The Minister's medical consultants concluded that there was no clear objective evidence of any abnormality causing the appellant's pain. Therefore, the Minister denied the application for a disability pension.

The Board vacated the Minister's decision and granted the appellant a total disability pension effective October 1987. The reasons were (a) medical reports and verbal evidence submitted supported a total disability pension; (b) legislation allows disability on either mental or physical grounds; (c) CPP had granted a total disability pension.

Appeal 5

Prior Service

The appellant terminated employment in January 1959 and received a refund of his contributions. In January 1963, he commenced employment with another employer and began contributing to the Public Service Pension Plan. In January 1988, he contacted P & P enquiring if the three year period of training as an R.N. was pensionable. P & P advised that student nurse training was not pensionable.

The appellant's representative provided the following with respect to this appeal.

> The representative stated that the Board should ignore some of the written comments made by the appellant as they were made in anger. The basic argument was that while he participated in an "apprenticeship" program, he received a salary of $10 a month, was not a student per se and had very little supervision.
>
> The appellant stated that during the period in question (February 1959 to September 1962) he had blocks of lectures with the rest of the time "working on the floor". He said that on occasions he was assigned as the only nurse on an entire floor to take care of fifty patients. He was also required to work alone in the operation room. Later on in his training, he relieved the nurse in charge in Neurology. He argued that his training was similar to the program for psychiatric nurses whose three-year training period was considered pensionable service. He added that up to about 1970, the psychiatric nurses were given the same pay scale as nurses in his category on graduation. The appellant's view was that the service in question came under an apprenticeship program rather than a student nurse training program and therefore should be considered as pensionable.

The Minister's representative presented the following:

> Referring to the definition of "service" in the Act, he stated that the period was not intended as employment by the employer and was clearly intended for education. He further stated that the period did not qualify under the definition of prior service. He stated that had this kind of training been intended to be included as pensionable service, the Act and regulation would have stated it.

The Board confirmed the Minister's decision. The basis for the decision was that the appellant was a student during the period in question and that student nurse's time in training was not recognized as pensionable service under the Plan.

Appeal 6

Prior Service

Applicant commenced employment and contributions to the Public Service Pension Plan in September 1974. In October 1974, applicant transferred to another department. In July 1983, applicant commenced a period of leave without pay and returned in December 1983. A second period of leave (maternity) was taken from August 1986 to May 1987. In March 1988, she made application to purchase the periods in question. P & P advised employer and applicant in October 1988 that the 1983 leave could not be recognized as pensionable service as the deadline had been exceeded. P & P issued a Notice of Cost for the 1986-87 period.

The applicant provided the following regarding her appeal.

> She argued that she was not advised of the deadline established in order to purchase the leave of absence. She stated that the information was forwarded to the department while she was already on the leave and did not recall ever receiving the information at home. The employer had no evidence on her file to indicate that the information was provided. She stated that she was only advised of the deadline requirement during her second period of leave. She felt that because of the circumstances in her case she should be allowed to purchase the first leave.

Payroll and Pensions' advanced the following:

> P & P's representative stated that ample information had been forwarded to the employer as EIL PSPP#01/87 dated January 1987 (Information Circular) dealt with the question. He stated that information on the leave had not been directly forwarded to the applicant, however, for the second period of leave, she had been advised.

The Board extended the time limit to allow the purchase of the 1983 leave on the following bases:

1. Applicant had not been properly notified of the change in procedure with respect to the time limit.
2. The employer admitted that the applicant had not been notified of the change in regulations.
3. The applicant was not materially at fault in missing the deadline.

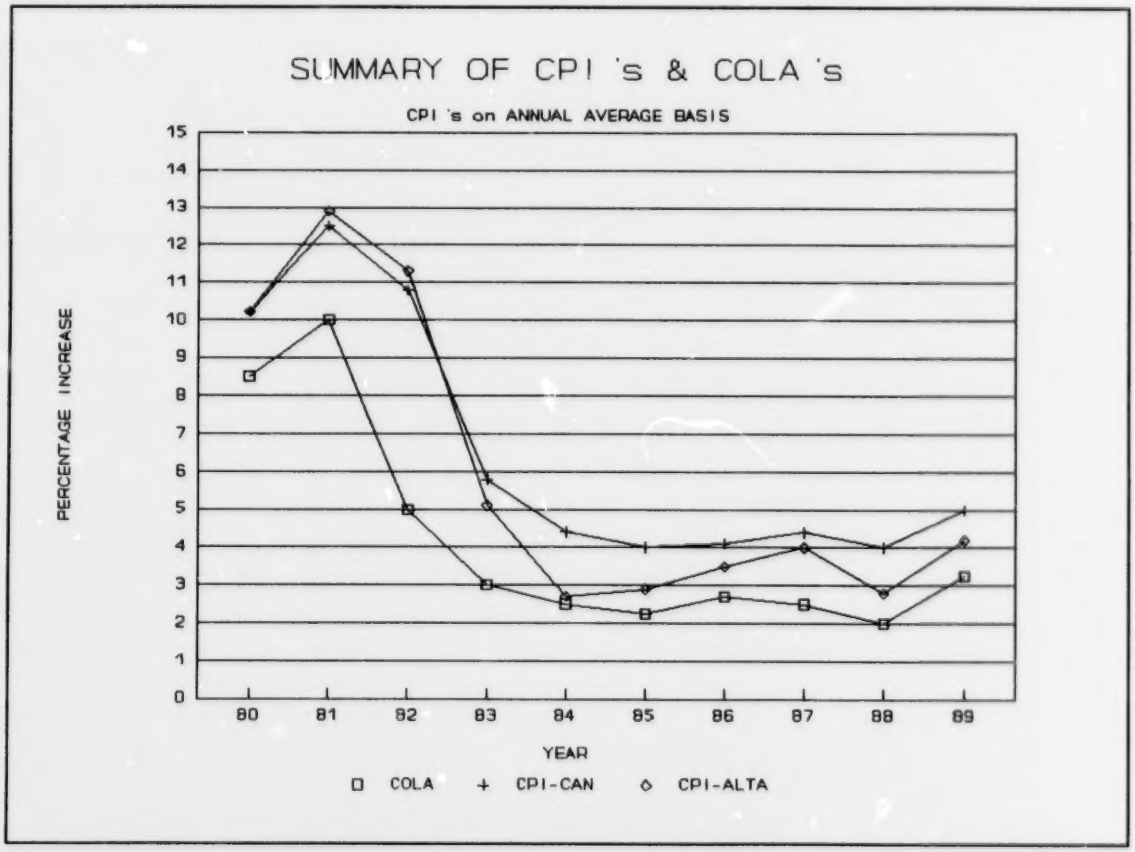
ADVICE

In its advisory role, the Board is empowered to advise the Minister respecting any matters on the plan (section 9 of the Act).

During the year several topics were addressed by the Board. These are summarized below.

Cost of Living Adjustment to Pensions

Currently, cost of living adjustments (COLA) to pensions and deferred pensions are granted on an ad hoc basis by the Government. In November 1989 the Board recommended that COLA of 3.9% be granted effective January 1, 1990. The adjustment granted by the Lieutenant Governor in Council was 3.25%.



The above graph shows the COLA's granted on January 1 following the years 1980 through 1989, i.e. the COLA of 3.25% shown for 1989 was granted on January 1,

1990. The Consumer Price Index (CPI) increases are for the calendar years, i.e. CPI-CAN shown for 1980 is the 10.2% increase which occurred in 1980. During the 10-year period the average annual increases were as follows: Canada CPI - 6.5%, Alberta CPI - 5.9%, COLA's granted - 4.1%.

Review of the Plan

Arising out of the discussion of the 1988 actuarial valuation and cash flow results, the Board requested that proposals for change to the Plan be formulated and discussed. The Chairman's office presented proposed changes to the Board in January 1989. Following a preliminary review of these proposals, the Board directed the Chairman's office to modify the paper to present some of its past resolutions for reconfirmation and resubmission to the Minister. Subsequently, the Board amended and finalized its recommendations except the recognition of prior service relative to the Federal Income Tax legislation. The Board's report was forwarded to the Minister in April 1990.

Actuarial Assumptions and Methods

Hypothetical allocation of the pension fund to the Government administered pension plans and calculation of a hypothetical fund value for the Public Service Pension Plan were provided to the Board in March 1989 for information. Also provided in June 1989 were information on allocation of shortfall as at March 31, 1981 and additional fund available as at March 31, 1988 under the hypothetical scenario.

In May 1989 the Board wrote the Minister, reaffirming its recommendation that valuations be done on alternate assumptions and method for the purpose of establishing appropriate employee and employer contribution rates.

A report on actuarial assumptions and methods as well as estimates on current service cost, prepared by the Alexander Consulting Group, were presented to the Board in September and October 1989. At the Board's request, the Chairman forwarded the report and the estimates to the Minister.

Federal Income Tax Legislation Relating to Retirement Savings

The Board noted for information the facts that the Federal Government had delayed for one year the implementation of certain changes in its tax legislation to retirement savings released in March 1988. The one year deferral announced in April 1989 will affect the tax deductibility of retirement savings and the new registration requirements for pension plans.

In October 1989 Alberta Treasury provided the Board a copy of an analysis dated April 1989, prepared by the Wyatt Company, on the impact of proposed amendments to the Income Tax Act.

APPENDIX A

Excerpts from the Act

The following excerpts of the Public Service Pension Plan Act define the make-up and responsibilities of the Public Service Pension Plan Board.

Establishment, composition, term of office, etc.

5(1) There is hereby established a board known as the Public Service Pension Plan Board.

(2) The Board shall consist of not fewer than 5 persons appointed members of the Board by the Lieutenant Governor in Council.

(3) The Lieutenant Governor in Council shall appoint 1 of the members of the Board from among persons nominated by the Alberta Union of Provincial Employees.

(4) A member of the Board holds office for the term fixed in relation to him by the Lieutenant Governor in Council.

(5) The Minister may prescribe the remuneration and expenses to be paid to members of the Board.

(6) The Board may make rules respecting the calling of and the conduct of business at its meetings.

Chairman and vice-chairman

6(1) The Lieutenant Governor in Council shall designate one of the members of the Board to be the chairman and another member to be the vice-chairman of the Board.

(2) The vice-chairman shall act as chairman when the office of the chairman is vacant or when the chairman is absent or unable to act.

Support services

7 The Minister shall provide such supplies, services and accommodation as he considers necessary to enable the Board to fulfil its objects.

Objects of the Board

8 The objects of the Board are

(a) to conduct the hearing of appeals under Part 6;

(b) to provide advice to the Minister under section 9;

(c) where appropriate, to extend time limits and treat benefit choices as revoked under section 10;

(d) to exercise and perform any other powers and duties assigned to it by this Act and the regulations;

(e) to perform any other duties relating to the Plan that are assigned to it by the Minister.

Advisory functions of the Board

9 The Board may advise the Minister respecting any matters relating to the Plan, including

(a) the adequacy of contributions to meet benefits,

(b) adjustments to pensions under section 27,

(c) rates of interest for the purposes of the Plan,

(d) benefits,

(e) reciprocal agreements,

(f) recognition of prior service,

(g) eligibility and participation in the Plan, and

(h) the actuarial tables prescribed or to be prescribed by the Minister.

Board's power to extend time limits, etc.

10(1) Where

(a) a person fails to meet a time limit under the Plan,

(b) the failure will or could result in a person's obtaining different benefits than those he would have obtained had the time limit been met, and

(c) the Board is satisfied that the failure results from circumstances that import no material fault on the part of that person,

the Board may, on application to it, extend the time limit.

(2) Where

(a) the circumstances set out in subsection (1)(a), (b) and (c) apply,

(b) the benefit has been received or has commenced to be paid, and

(c) the Board is satisfied that a choice, including a deemed choice, that would otherwise be irrevocable under section 40(2) could materially prejudice the best interests of the recipient or his dependants,

the Board may, on application to it, treat that choice as revoked, extend the time limit for making the choice and order any consequential adjustments in the benefits.

(3) Where

(a) a benefit choice has been made, and

(b) the Board is satisfied that

(i) the choice communicated to the Minister was not that which the person making the choice actually intended, and

(ii) the application mentioned in this section does not result from a change in a person's circumstances affecting the choice,

the Board may, on application made to it within 3 months from the date when the benefit was received or commenced to be paid, treat the choice as revoked and substitute for it the choice which, in the Board's opinion, the person originally intended to make and order any consequential adjustments in the benefits.

Appeal to the Board

35(1) A party aggrieved by a decision of the Minister under or in relation to Parts 2 to 5 or the prescribed provisions of the regulations, other than a decision under section 32 or one that could be the subject-matter of an application under section 10, may appeal against that decision to the Board.

(2) A party wishing to appeal to the Board under this section must serve the chairman of the Board with a notice of appeal in the form prescribed by the Minister within 30 days of being notified in writing of the decision appealed against or within such longer period as the Board may, on application, allow.

(3) The notice of appeal must specify the decision appealed against and the grounds of appeal.

(4) The Board may identify persons who may be interested in the appeal and may give directions as to the persons to be served with the notice of appeal, whether or not they are parties.

(5) For the purposes of conducting an appeal under this section, the Board

(a) has all of the duties, powers, privileges and immunities given to a commissioner appointed under the Public Inquiries Act by sections 3, 4, 7 and 9 of that Act, and

(b) shall be deemed to be a person for the purposes of section 1(a) of the Administrative Procedures Act.

(6) the Board may confirm, vacate or vary the decision appealed against.

(7) The Board shall serve the appellant and persons who received a notice of appeal with a copy of its decision, including the reasons for the decision.

Appeal to the Court of Queen's Bench

36(1) A party aggrieved by a decision of the Board under section 35 may, within 30 days of the date of service of the Board's decision on him or such longer period as the Court may allow, appeal to the Court of Queen's Bench on a question of law or jurisdiction.

(2) The procedure in an appeal to the Court of Queen's Bench shall be the same as that provided in the Alberta Rules of Court for applications by originating notice.

(3) The Court of Queen's Bench, on hearing the appeal, may confirm, vacate or vary the decision of the Board or make any order it considers just.

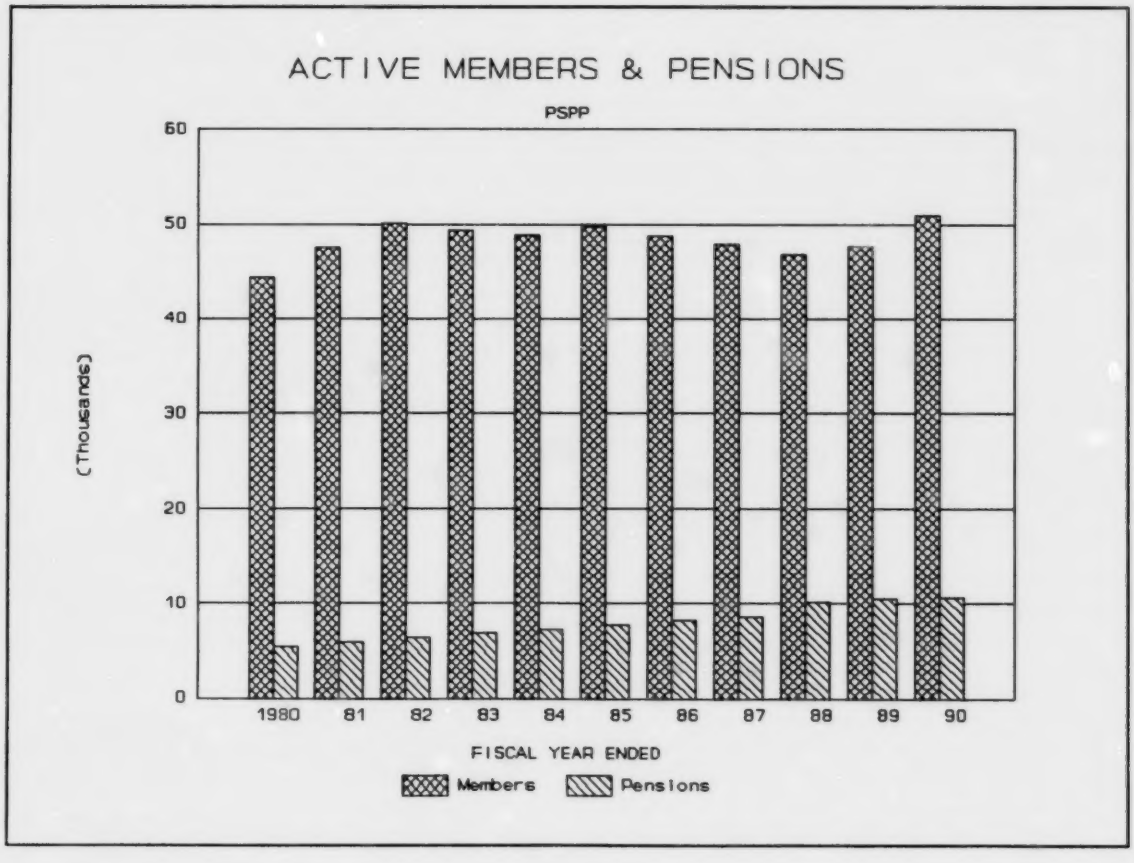
APPENDIX B

Summary of Plan Statistics

Statistics are provided by Payroll and Pensions Division of Alberta Treasury and interpreted by the Alberta Government Pension Boards office.

A. Active Members

Active membership in the Public Service Pension Plan was increased from 44,357 at March 31, 1980 to 50,940 as at March 31, 1990. The following graph shows the relative changes from 1980 through 1990:



B. Pensions in Payment

Pensions in payment increased from 5,430 at March 31, 1980 to 10,701 as at March 31, 1990. The graph above also illustrates the relative increases.

The average pension in payment was $401.01 per month on March 31, 1980 and increased to $671 per month for pensioners and $499 per month for surviving spouses on March 31, 1990.

C. Cash Flow Summary

The graph below reveals that receipts were $32,952,162 for fiscal year 1978/79 and increased to $130,640,000 in fiscal year 1989/90. Payments increased from $27,525,996 in fiscal year 1978/79 to $100,725,000 in fiscal year 1989/90. The excess contributions were $5,426,166 in fiscal year 1978/79 and $29,914,000 in fiscal year 1989/90.